

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3263
ANSWERED ON:11.08.2000
FOREIGN LOAN BY CENTRAL PSUs
SHYAMA SINGH

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether Central Public Sector Undertakings have taken loans for World Bank, Asian Development Bank and other foreign agencies worth crores of rupees;
- (b) if so, whether although the Government had returned the loans, it has not recovered dues from PSUs;
- (c) if so, the facts thereof; and
- (d) the steps taken by the Government to recover such dues from CPSUs?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. SALLABH BHAKTHIRIA):

- (a) The Central Public Sector Undertakings borrow money from various sources including foreign parties such as World Bank, Asian Development Bank etc. to meet their financial requirements.
- (b) to (d) Although the refund of loans including loans from foreign parties depends on the terms and conditions of the loan deeds, the financial viability and paying capacity of the PSU concerned is also an important factor. The Government has an obligation, where it stands as guarantor & ensure timely repayment of the loans by the PSUs from the international bodies like World Bank, Asian Development Bank, etc.